THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Industrial Development Bank of India has extended Rs.7468.54 crores to Iron and Steel Sector upto March 31, 2001 constituting 13.3 per cent of its total outstanding assistance. However, in accordance with the practice and usage customary amongst banks and **in** conformity with the provisions of statutes governing public sector banks and financial institutions as also the provisions of public Financial Institutions (obligation as to Fidelity and Secrecy) Act, 1983, further details relating to individual constituents cannot be divulged.

(c) and (d) Financial Institutions including IDBI while extending loans to projects stipulate certain terms and conditions *i.e.* rate of interest, repayment period, security creation, personal and corporate guarantee etc. to ensure timely implementation of the projects within the estimated cost and to enable the lenders to monitor the project. Certain project specific conditions are also stipulated. Loans are extended to borrowers as per the well laid out credit policy duly approved by their respective boards and also guidelines issued by RBI/ Government in this regard.

Trade of Spices and Stones with Iran

*517. SHRI NANA DESHMUKH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Indian spices and precious stones are valued in Iran;

(b) whether it is also a fact that the Persian rose water and dry fruits from Iran are in great demand in India; and

(c) if so, whether the trade of these commodities between the two countries was discussed during the recent visit of Prime Minister to that country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIG VIJAY SINGH): (a) Yes, Sir, Indian spices and precious stones are valued and appreciated all over the world including Iran.

(b) It is true that there has been a demand in India for Iranian dry fruits and rose water. According to the monthly foreign trade statistics brought out by the DGCI&S, Kolkata, during the financial year 2000-2001, Nuts and Fruits

(excluding Cashew) were imported into India from Iran for a total value of Rs. 137.83 crores and cashew nuts worth 62.10 lakhs were imported in the same period. However, foreign trade statistics are not available for rose water in the list of items of imports into India from Iran, as no commodity under the name and style of'Persian rose water' figures in the DGCI&S book.

(c) As far as official level discussions held during the recent visit of the Hon'ble Prime Minister to Iran are concerned, measures to boost bilateral trade have been discussed and specific areas / sectors like Information Technology, Bio-technology, Pharmaceuticals, Engineering and Construction were indicated in the official level discussions. In addition, a business delegation led by FICCI has also accompanied the delegation to Iran and individual businessmen had one-to-one discussions with the Iranian counterparts. Record of such private business discussions are not available in this Ministry.

Short-term Lending Rates by SBI

*518 DR KARAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has cut down the short-term lending rates and the long-term deposit rates from 6th August, 2001, to the detriment of the small depositors' interests, if so, from which date and to what extent;

(b) whether other nationalized banks and other banks also followed suit; and

(c) what was its impact on the small depositors and the steps taken to minimize the loss and sufferings of the small depositors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) State Bank of India have reduced their short-term Prime Lending Rates (PLRs) by 50 basis points and long-term deposit rates by 50 basis pointg since August 6, 2001. Two nationalized banks and a private bank have also reported that they reduced long-term deposit rates. Details are given in the Statement *(See* below).

(c) Reserve Bank of India have reported that returns for depositor on the long-term deposit rates for above 3 years maturity at 9 per cent and above should be viewed in the context of current inflation rate being around 5 per cent.